

Wb



North Lily Mining Company

PR0/023/007

May 15, 1986

State of Utah
Department of Natural Resources and Energy
Division of Oil, Gas and Mining
4241 State Office Building
Salt Lake City, Utah 84114

RECEIVED
MAY 21 1986

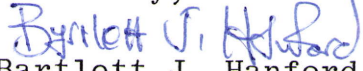
DIVISION OF
OIL, GAS & MINING

Gentlemen:

We received your letter informing us that we have exceeded our two acre limit based on reconnaissance of the site and that you are requesting the bonding requirements. Since then we have made a survey of the site and we believe we are within the two acre exemption. (See enclosed map.) Therefore, we would like to postpone forwarding our bond until one month before startup. Also, the Barrow area was seeded, which further weights the two acre exemption in our favor. We admit we are close to exceeding the limit however, we feel the disturbance of our property is an improvement to the area and within the two acre limit.

Although the cost of reclamation has been painfully expensive, our past record in reclamation implies that we will continue to be responsible.

Sincerely,


Bartlett J. Hanford
Vice President/Engineering

enclosure

BJH/cl

0001

AREA DISTURBED
BY AFFILIATED

PAVED ROAD

PAVED ROAD

78,000 SQ FT
1.8 ACRES

THICKENER

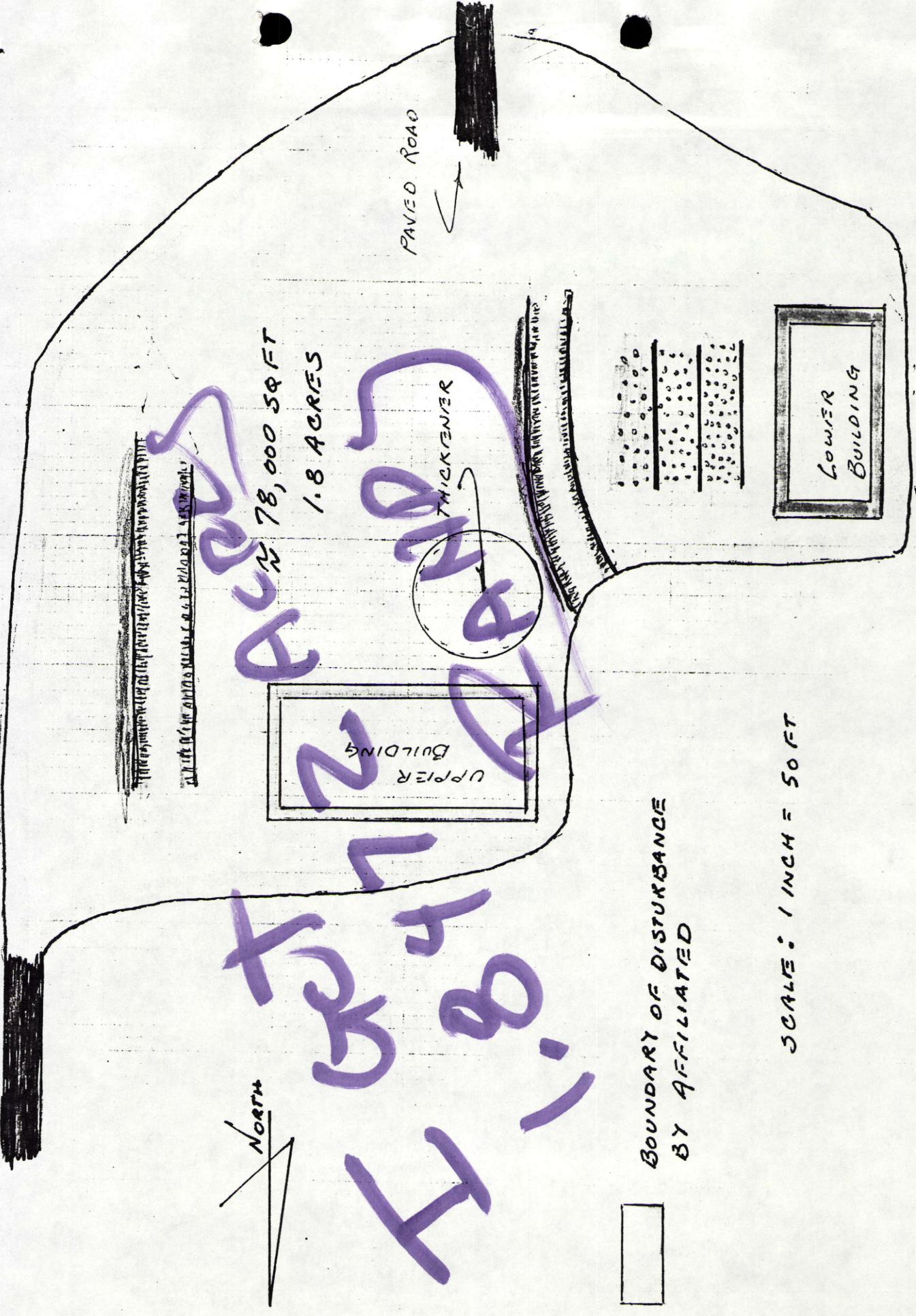
UPPER
BUILDING

LOWER
BUILDING

BOUNDARY OF DISTURBANCE
BY AFFILIATED

SCALE: 1 INCH = 50 FT

NORTH



TPB
5 (p. 8.)
K. H. A. J.

AREA DISTURBED BY AFFILIATED

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PAVED ROAD

~ 78,000 SQ FT
1.8 ACRES

THICKENER

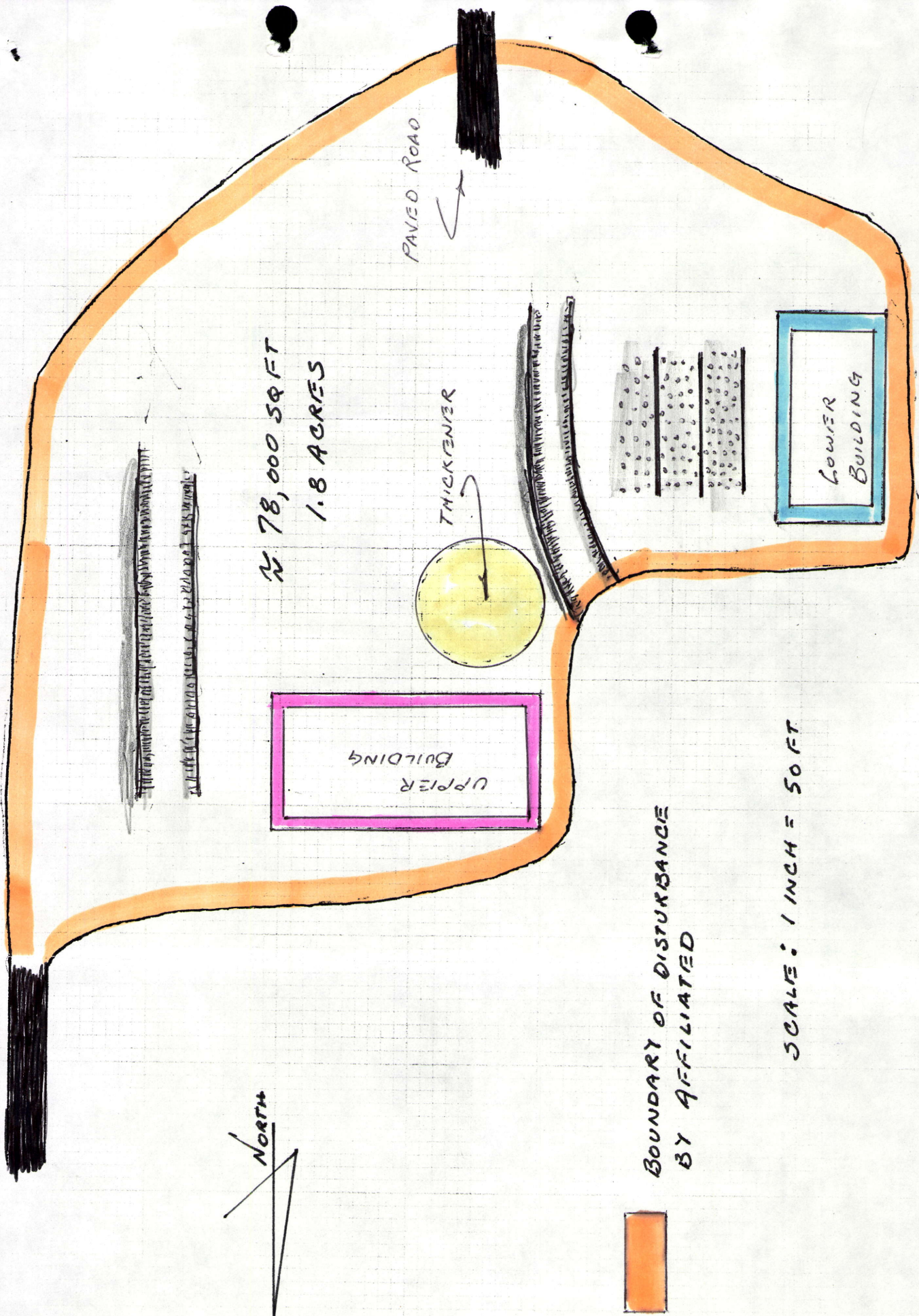
UPPER
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North





STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

April 16, 1986

CERTIFIED RETURN RECEIPT REQUESTED
(P-402-458-437)

Mr. Bartlett J. Hanford
Project Engineer
Affiliated Mining Inc.
P. O. Box 297
Eureka, Utah 84628

Dear Mr. Hanford:

Re: North Lily Project, DOE/023/014, PRO/023/007, Juab County, Utah

As you are aware, Lee Mining has filed an application for a Mining and Reclamation Permit with the Division of Oil, Gas and Mining for the North Lily Project. Sufficient data to approve the reclamation permit have been submitted with the exception of posting a surety bond. Based on data submitted in the Reclamation Permit Application, a \$109,185.00 bond (1987 dollars) must be posted to allow issuance of this permit.

The Division allowed start up of the North Lily Project (disturbance of less than two acres) under a Declaration of Exemption. A recently conducted site visit (February 11, 1986) substantiates disturbance greater than two acres. In order to comply with regulations governing mining activities of greater than two acres and maintain continuity with agreements made with the Division of Oil, Gas and Mining regarding operations, I am asking that Lee Mining post the above captioned bond with the Division of Oil, Gas and Mining on or before May 15, 1986. Should clarification of the above be required please contact me or Susan C. Linner of the Division of Oil, Gas and Mining.

Sincerely,

L. P. Braxton

L. P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

SCL:jvb
cc: K. May
S. Linner
0198R-15



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

April 7, 1986

Mr. Douglas K. Lee
North Lilly Mining Co.
861 So. 725 W.
Orem, Ut. 84601

Dear Mr. Lee:

Re: North Lily Project, DOE/023/014, PRO/023/007, Juab County, Utah

As you are aware, Lee Mining has filed an application for a Mining and Reclamation Permit with the Division of Oil, Gas and Mining for the North Lily Project. Sufficient data to approve the reclamation permit have been submitted with the exception of posting a surety bond. Based on data submitted in the Reclamation Permit Application, a \$109,185.00 bond (1987 dollars) must be posted to allow issuance of this permit.

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Sincerely,

L. P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

SCL:jvb
cc: K. May
S. Linner
0198R-15